With the introduction of New Pricing Scheme (NFS) for Urea *w.e.f.* 01.04.2003, the earlier system of calculating the Retention Price on cost plus basis was replaced by group based normative cost. The Ammonia-Urea Plants of Cochin division stopped production since 1st April 2003, as it was economically unviable for FACT to produce urea under the NPS.

There were also under recoveries in Production of factamphos (20:20:0:13) and Ammonium Sulphate as both these products have sulphur as an ingredient which was not covered under the erstwhile Price Concession Scheme, for complex fertilizers.

The production capacities of the company have not gone down and have remained the same since 2004. However, the production of various products was seriously affected during 2007-08 because of the liquidity crunch faced by the company and also due to the steep and unprecedented increase in the prices of feedstock, Naphtha and raw materials like Sulphur, Rock Phosphate etc., coupled with shortage in availability of these materials.

In order to sustain the operations of the company a one time grant of Rs.200 Crore was given to the company in March, 2008. Besides, Government of India has implemented a new pricing policy based on the recommendations of the Tariff Commission effective from 01.04.2008 approving sulphur as a nutrient for subsidy. Similarly, subsidy on Ammonium Sulphate has also been restored. As a result of all these measures, the company has reported improved production and capacity utilization in the first six months of the current financial year.

	April-September, 2008
	Production / in Tonnes
Factamfos 20:20	216293
Ammonium Sulphate	44528
Caprolactam	8493
Urea	--

The C&AG has not made any reservation /observation regarding fall in production capacity of the company.

Salient features of the Rashtriya Krishi Vikas Yojana

*111. SHRI N.K. SINGH: Will the Minister of AGRICULTURE be pleased to state:

(a) the main features of the Special Agricultural Plan under the Rashtriya Krishi Vikas Yojana; and

(b) the progress made so far in the implementation of the plan?

THE MINISTER OF AGRICULTURE (SHRI SHARAD PAWAR): (a) The States are required to formulate District Agricultural Plans (DAPs) articulating the vision for agriculture and allied sectors within the overall development perspective of the district in the Rashtriya Krishi Vikas Yojana (RKVY). The DAPs would reflect the financial requirement and source of financing the agriculture development plan in a comprehensive way including the resources available from other existing schemes, such as Backward Regional Grant Fund (BRGF), National Rural Employment Guarantee Scheme (NREGS), Swarnjayanti Gram Swarojgar Yojana (SGSY), Bharat Nirman etc. The DAP would include, *inter alia*,

crop husbandry, animal husbandry and fishery, minor irrigation projects, rural development works, agricultural marketing schemes and schemes for water harvesting and conservation, keeping in view the agro-climatic conditions, natural resources and technological possibilities in each district. A comprehensive State Agricultural Plan (SAP) would be prepared by the States by integrating the DAPs.

The States have been provided flexibility and autonomy in the process of planning as well as selection, approval and execution of schemes under RKVY. The State Level Sanctioning Committee (SLSC) headed by the Chief Secretary approves the projects for implementation under RKVY.

(b) During 2007-08, out of 24 States eligible under the scheme, 22 States held the SLSC meetings and approved projects on the basis of their plan under RKVY. None of the Union Territories convened the SLSC meetings. An amount of Rs. 1246.89 crore was released by the Central Government to the States/UTs during 2007-08. During the current year, out of 22 eligible States, 17 States have already held SLSC meetings for approval of projects and funds to the tune of Rs. 1094.65 crore have been released to the States/UTs so far.

Gas-based fertilizer plants in Uttar Pradesh

*112. SHRI MAHENDRA MOHAN: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) with the huge discovery of natural gas in the Krishna-Godavari and Mahanadi basin, whether his Ministry has planned a road map for establishing gas based fertilizer plants in the country;

(b) whether any study has been undertaken to convert coal/Nafta based fertilizer plants into gas-based fertilizer plants to make them economically viable;

(c) if so, the details in this regard; and

(d) how many such plants will be established in Uttar Pradesh?

THE MINISTER OF CHEMICALS AND FERTILIZERS (SHRI RAM VILAS PASWAN): (a) to (d) The Government has recently finalized and announced a policy for New Investments in Urea Sector in order to attract new investments in this sector for setting up of gas based urea projects in the country. Further, the Government has already decided to accord highest priority in allocation of gas for the fertilizer sector. It is expected that the prospective investors will take their own commercial decision for investments in urea sector and location of such projects, based on the above announced policy and the availability of natural gas from the Krishna-Godavari-Mahanadi basin.

As regards non-gas based fertilizers units in the country, the New Pricing Scheme Stage-III for existing urea units has made it mandatory for all non-gas based units to convert into gas by March, 2010. To incentivize the conversion of above units it has been provided that the energy efficiency due to conversion of units to gas will be left with the units for first five years of commercial production to enable them to recover the investment towards conversion of their units.

Bypassing of Dental Council of India

*113. SHRI ABU ASIM AZMI:
SHRI AMAR SINGH:

Will the Minister of HEALTH AND FAMILY WELFARE be pleased to state: